


STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☒

APPLICATION FOR PERMIT TO DRILL						1. WELL NAME and NUMBER Hancock 16-24-4-1	
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>						3. FIELD OR WILDCAT MONUMENT BUTTE	
4. TYPE OF WELL Oil Well <input type="checkbox"/> Coalbed Methane Well: NO <input type="checkbox"/>						5. UNIT or COMMUNITIZATION AGREEMENT NAME	
6. NAME OF OPERATOR NEWFIELD PRODUCTION COMPANY						7. OPERATOR PHONE 435 646-4825	
8. ADDRESS OF OPERATOR Rt 3 Box 3630 , Myton, UT, 84052						9. OPERATOR E-MAIL mcrozier@newfield.com	
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) Fee			11. MINERAL OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>			12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
13. NAME OF SURFACE OWNER (if box 12 = 'fee') Henderson Ranches LLC						14. SURFACE OWNER PHONE (if box 12 = 'fee')	
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee') Route 3 Box 3671, ,						16. SURFACE OWNER E-MAIL (if box 12 = 'fee')	
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')			18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>			19. SLANT VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>	
20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN	
LOCATION AT SURFACE	464 FSL 596 FEL	SESE	24	4.0 S	1.0 W	U	
Top of Uppermost Producing Zone	464 FSL 596 FEL	SESE	24	4.0 S	1.0 W	U	
At Total Depth	464 FSL 596 FEL	SESE	24	4.0 S	1.0 W	U	
21. COUNTY UINTAH		22. DISTANCE TO NEAREST LEASE LINE (Feet) 464		23. NUMBER OF ACRES IN DRILLING UNIT 40			
		25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 1320		26. PROPOSED DEPTH MD: 6720 TVD: 6720			
27. ELEVATION - GROUND LEVEL 5010		28. BOND NUMBER B001834		29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 43-7478			

ATTACHMENTS	
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES	
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)	<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER
<input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)	<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP

NAME Mandie Crozier	TITLE Regulatory Tech	PHONE 435 646-4825
SIGNATURE	DATE 08/19/2009	EMAIL mcrozier@newfield.com
API NUMBER ASSIGNED 43047506580000	APPROVAL <div style="text-align: center;">  Permit Manager </div>	

Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Prod	7.875	5.5	0	6720		
Pipe	Grade	Length	Weight			
	Grade J-55 LT&C	6720	15.5			

Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Surf	12.25	8.625	0	400		
Pipe	Grade	Length	Weight			
	Grade J-55 ST&C	400	24.0			

**T4S, R1W,
U.S.B.&M.**

N89°53'W - 79.30 (G.L.O.)
S89°06'57"W
5240.57' (Meas. to C.C.)
5240.06' (Meas. to True)

Angle Point
Northwest Corner
Section 18
(1959 Galv. Cap)

Set Stone

Angle Point
Reestablished Using
Single Proportion
Method (Not Set)

Lot 1

Lot 2

Lot 3

Lot 4

**WELL LOCATION:
WELL 16-24-4-1**

ELEV. UNGRADED GROUND = 5009.7'

24

S45°46'07"E 5731.42'

DRILLING
WINDOW

200'

596'

464'

1959 Brass Cap

S88°53'46"W (Basis of Bearings)

N89°53'W - 79.01 (G.L.O.) 2575.65' (Meas to True)

2578.71' (Meas. to C.C.)

Angle Point
(Set Sandstone)

1953 Galv.
Steel Cap

1953 Galv.
Steel Cap

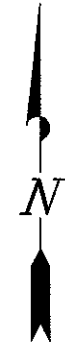
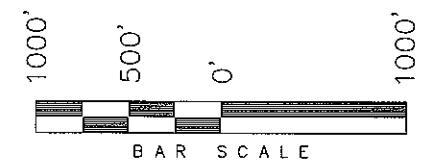
1959 Galv. Steel
Cap C.C.

S00°49'30"E 5336.00'
S00°12'W 80.85
(G.L.O.)

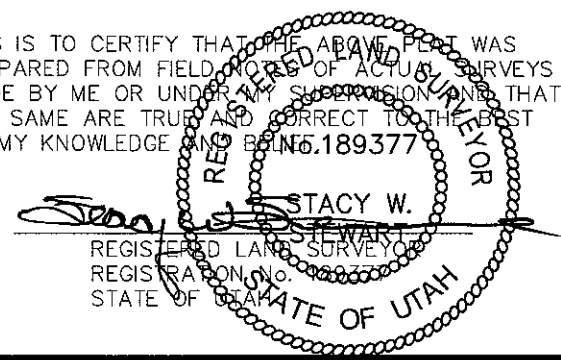
S00°47'30"E - 5332.04' (Meas.)
S00°01'E - (G.L.O.)

NEWFIELD PRODUCTION COMPANY

WELL LOCATION, WELL 16-24-4-1,
LOCATED AS SHOWN IN THE SE 1/4 SE
1/4 (LOT 4) OF SECTION 24, T4S, R1W,
U.S.B.&M. UTAH COUNTY, UTAH.



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS
PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS
MADE BY ME OR UNDER MY SUPERVISION AND THAT
THE SAME ARE TRUE AND CORRECT TO THE BEST
OF MY KNOWLEDGE AND BELIEF. 6.189377



◆ = SECTION CORNERS LOCATED

BASIS OF ELEV; Elevations are base on
LOCATION: an N.G.S. OPUS Correction.
LAT. 40°04'09.56" LONG. 110°00'43.28"
(Tristate Aluminum Cap) Elev. 5281.57'

WELL 16-24-4-1
(Surface Location) NAD 83
LATITUDE = 40° 06' 52.29"
LONGITUDE = 109° 56' 15.53"

TRI STATE LAND SURVEYING & CONSULTING

180 NORTH VERNAL AVE. - VERNAL, UTAH 84078
(435) 781-2501

DATE SURVEYED: 04-09-09	SURVEYED BY: T.H.
DATE DRAWN: 04-10-09	DRAWN BY: F.T.M.
REVISED:	SCALE: 1" = 1000'

NEWFIELD PRODUCTION COMPANY
HANCOCK 16-24-4-1
SE/SE SECTION 24, T4S, R1W
UINTAH COUNTY, UTAH

TEN POINT DRILLING PROGRAM

1. **GEOLOGIC SURFACE FORMATION:**

Uinta formation of Upper Eocene Age

2. **ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:**

Uinta	0 – 1,940'
Green River	1,940'
Wasatch	6,720'

3. **ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS:**

Green River Formation (Oil) 1,940' – 6,720'

Fresh water may be encountered in the Uinta Formation, but would not be expected below about 350'. All water shows and water bearing geologic units shall be reported to the geologic and engineering staff of the Vernal Office prior to running the next string of casing or before plugging orders are requested. All water shows must be reported within one (1) business day after being encountered.

All usable (<10,000 PPM TDS) water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling will be recorded by depth and adequately protected. This information shall be reported to the Vernal Office.

Detected water flows shall be sampled, analyzed, and reported to the geologic & engineering staff of the Vernal Office. The office may request additional water samples for further analysis. Usage of the State of Utah form *Report of Water Encountered* is acceptable, but not required.

The following information is requested for water shows and samples where applicable:

Location & Sampled Interval	Date Sampled
Flow Rate	Temperature
Hardness	pH
Water Classification (State of Utah)	Dissolved Calcium (Ca) (mg/l)
Dissolved Iron (Fe) (ug/l)	Dissolved Sodium (Na) (mg/l)
Dissolved Magnesium (Mg) (mg/l)	Dissolved Carbonate (CO ₃) (mg/l)
Dissolved Bicarbonate (NaHCO ₃) (mg/l)	Dissolved Chloride (Cl) (mg/l)
Dissolved Sulfate (SO ₄) (mg/l)	Dissolved Total Solids (TDS) (mg/l)

4. **PROPOSED CASING PROGRAM**

a. **Casing Design: Hancock 16-24-4-1**

Size	Interval		Weight	Grade	Coupling	Design Factors		
	Top	Bottom				Burst	Collapse	Tension
Surface casing 8-5/8"	0'	400'	24.0	J-55	STC	2,950 17.53	1,370 14.35	244,000 33.89
Prod casing 5-1/2"	0'	6,720'	15.5	J-55	LTC	4,810 2.25	4,040 1.89	217,000 2.08

Assumptions:

- 1) Surface casing max anticipated surface press (MASP) = Frac gradient – gas gradient
- 2) Prod casing MASP (production mode) = Pore pressure – gas gradient
- 3) All collapse calculations assume fully evacuated casing w/ gas gradient
- 4) All tension calculations assume air weight

Frac gradient at surface casing shoe = 13.0 ppg
Pore pressure at surface casing shoe = 8.33 ppg
Pore pressure at prod casing shoe = 8.33 ppg
Gas gradient = 0.115 psi/ft

All casing shall be new or, if used, inspected and tested. Used casing shall meet or exceed API standards for new casing.

All casing strings shall have a minimum of 1 (one) centralizer on each of the bottom three (3) joints.

b. **Cementing Design: Hancock 16-24-4-1**

Job	Fill	Description	Sacks	OH Excess*	Weight (ppg)	Yield (ft ³ /sk)
			ft ³			
Surface casing	400'	Class G w/ 2% CaCl	138 161	30%	15.8	1.17
Prod casing Lead	4,720'	Prem Lite II w/ 10% gel + 3% KCl	326 1063	30%	11.0	3.26
Prod casing Tail	2,000'	50/50 Poz w/ 2% gel + 3% KCl	363 451	30%	14.3	1.24

*Actual volume pumped will be 15% over the caliper log

- Compressive strength of lead cement: 1800 psi @ 24 hours, 2250 psi @ 72 hours
- Compressive strength of tail cement: 2500 psi @ 24 hours

Hole Sizes: A 12-1/4" hole will be drilled for the 8-5/8" surface casing. A 7-7/8" hole will be drilled for the 5-1/2" production casing.

Waiting On Cement: A minimum of four (4) hours shall elapse prior to attempting any pressure testing of the BOP equipment which would subject the surface casing cement to pressure, and a minimum of six (6) hours shall elapse before drilling out of the wiper plug, cement, or shoe is begun. WOC time shall be recorded in the Driller's Log. Compressive Strength shall be a minimum of 500 psi prior to drilling out.

The 8-5/8" surface casing shall in all cases be cemented back to surface. In the event that during the primary surface cementing operation the cement does not circulate to surface, or if

the cement level should fall back more than 8 feet from surface, then a remedial surface cementing operation shall be performed to insure adequate isolation and stabilization of the surface casing.

The production casing cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals.

As a minimum, usable water zones shall be isolated and/or protected by having a cement top for the production casing at least 200 feet above the base of the usable water. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc., shall be utilized to help isolate the cement from contamination by the mud being displaced ahead of the cement slurry.

All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or to 1500 psi, whichever is greater, but not to exceed 70% of the minimum internal yield. If pressure declines more than 10% in 30 minutes, corrective action shall be taken.

Setting of each string of casing showing the size, grade, weight of casing set, depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of the cementing tools used, casing test method and results, and the date of the work done. Spud date will be shown on the first reports submitted.

5. **MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:**

The operator's minimum specifications for pressure control equipment are as follows:

An 8" Double Ram Hydraulic unit with a closing unit will be utilized. Function test of BOP's will be check daily.

Refer to **Exhibit C** for a diagram of BOP equipment that will be used on this well.

6. **TYPE AND CHARACTERISTICS OF THE PROPOSED CIRCULATION MUDS:**

From surface to ± 350 feet will be drilled with an air/mist system. From about 350 feet to TD, a fresh water system will be utilized. Clay inhibition and hole stability will be achieved with a KCl substitute additive. This additive will be identified in the APD and reviewed to determine if the reserve pit shall be lined. This fresh water system will typically contain Total Dissolved Solids (TDS) of less than 3000 PPM. Anticipated mud weight is 8.4 lbs/gal. If necessary to control formation fluids or pressure, the system will be weighted with the addition of bentonite gel, and if pressure conditions warrant, with barite.

No chromate additives will be used in the mud system on Federal and/or Indian lands without prior BLM approval to ensure adequate protection of fresh aquifers.

No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completing of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completing of this well.

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

Newfield Production will **visually** monitor pit levels and flow from the well during drilling operations.

7. **AUXILIARY SAFETY EQUIPMENT TO BE USED:**

Auxiliary safety equipment will be a Kelly Cock, bit float, and a TIW valve with drill pipe threads.

8. **TESTING, LOGGING AND CORING PROGRAMS:**

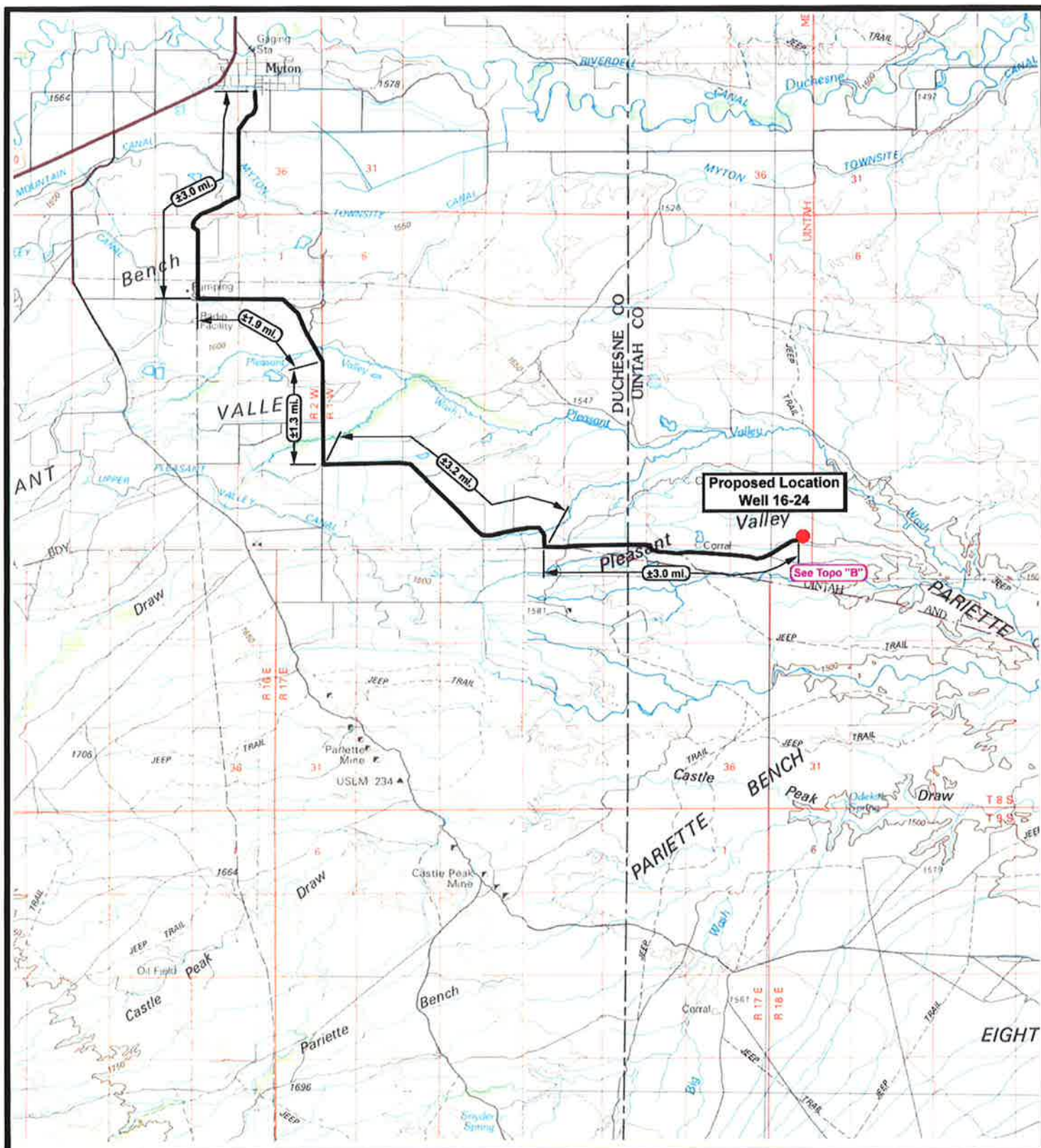
The logging program will consist of a Dual Induction, Gamma Ray and Caliper log from TD to base of surface casing @ 400' +/-, and a Compensated Neutron-Formation Density Log from TD to 3500' +/- . A cement bond log will be run from PBD to cement top. No drill stem testing or coring is planned for this well.




9. **ANTICIPATED ABNORMAL PRESSURE OR TEMPERATURE:**

No abnormal temperatures or pressures are anticipated. No hydrogen sulfide has been encountered or is known to exist from previous drilling in the area at this depth. Maximum anticipated bottomhole pressure will approximately equal total depth in feet multiplied by a 0.433 psi/foot gradient.

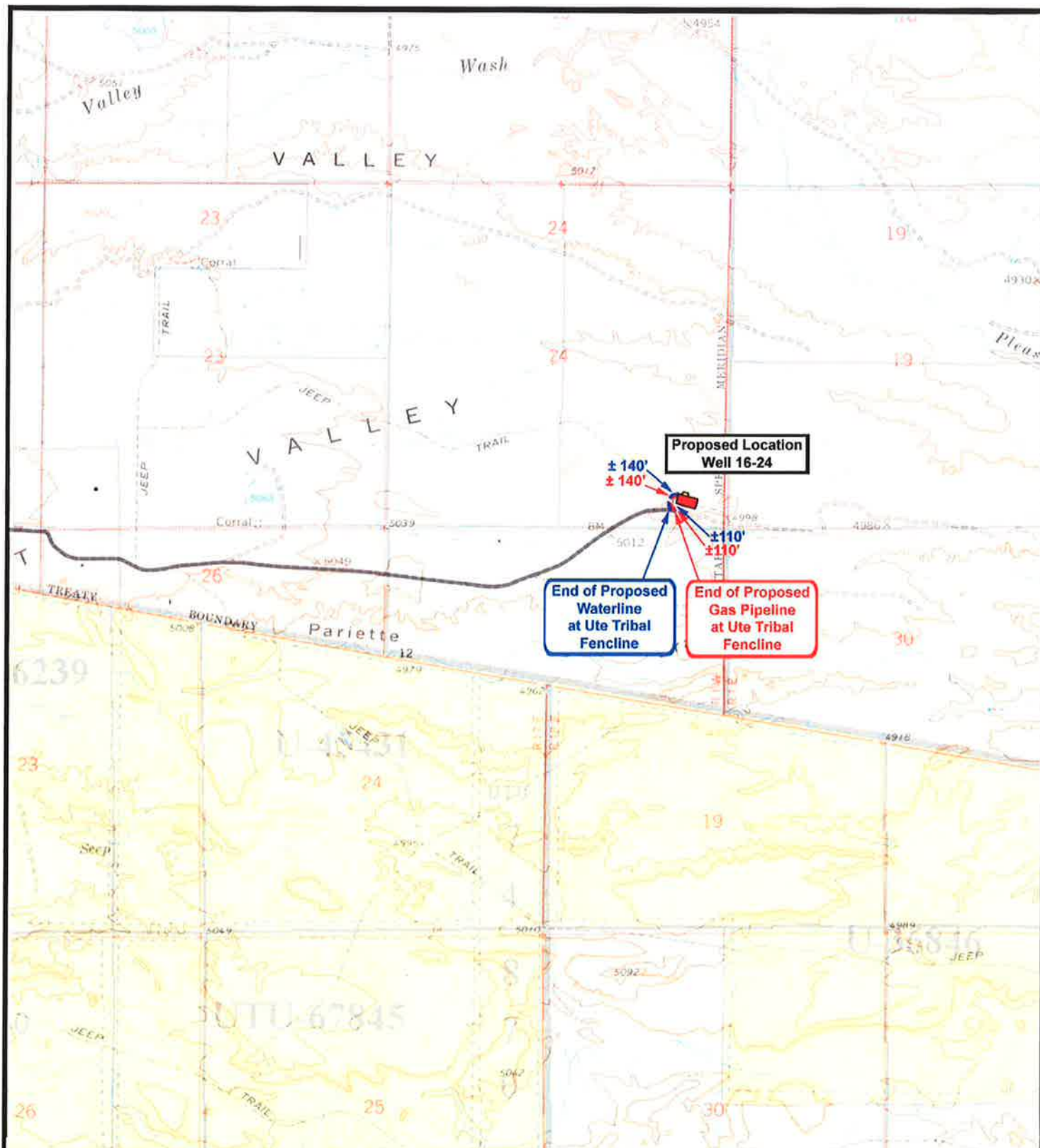
10. **ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS:**




It is anticipated that the drilling operations will commence the fourth quarter of 2009, and take approximately seven (7) days from spud to rig release.

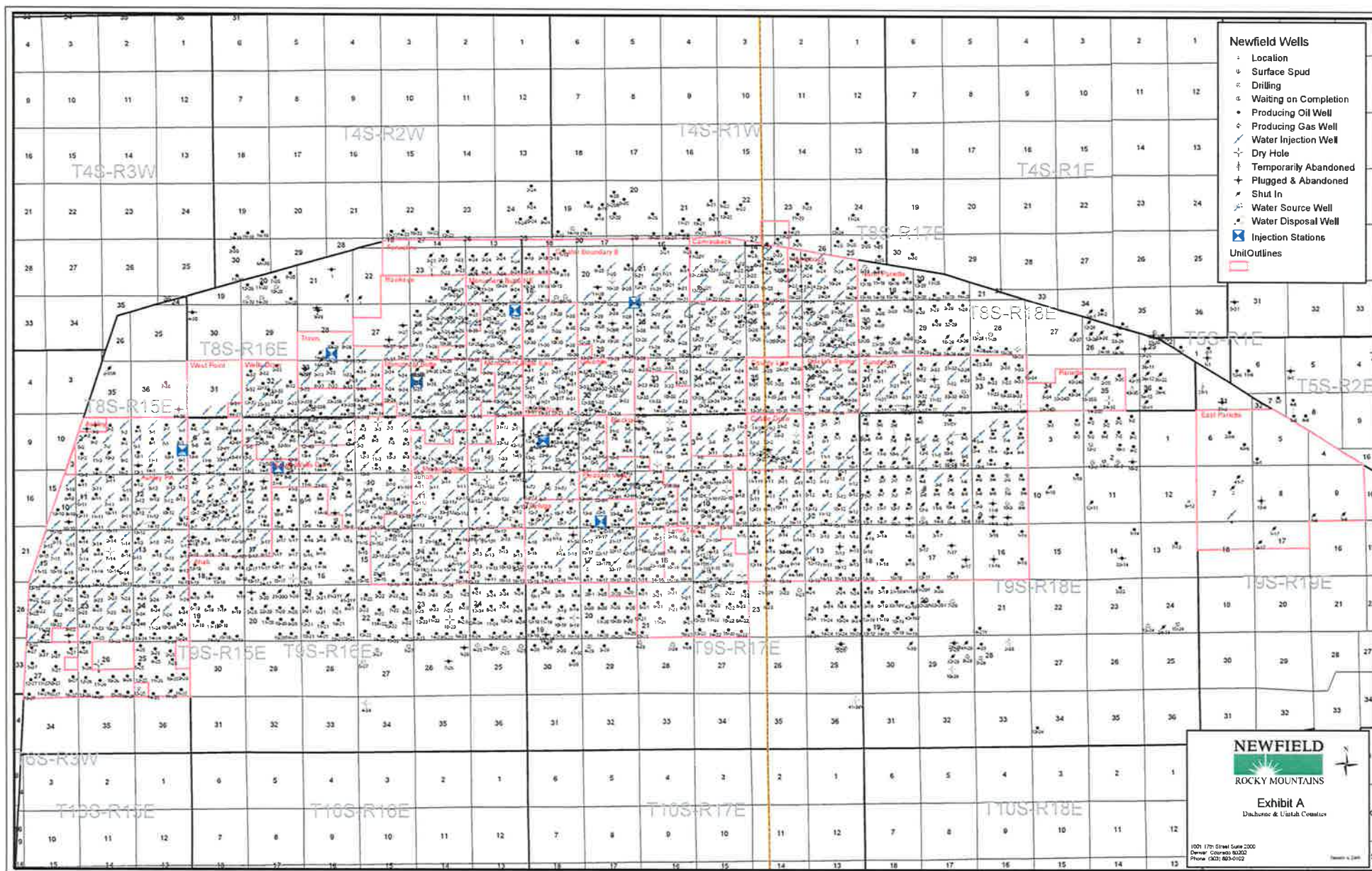


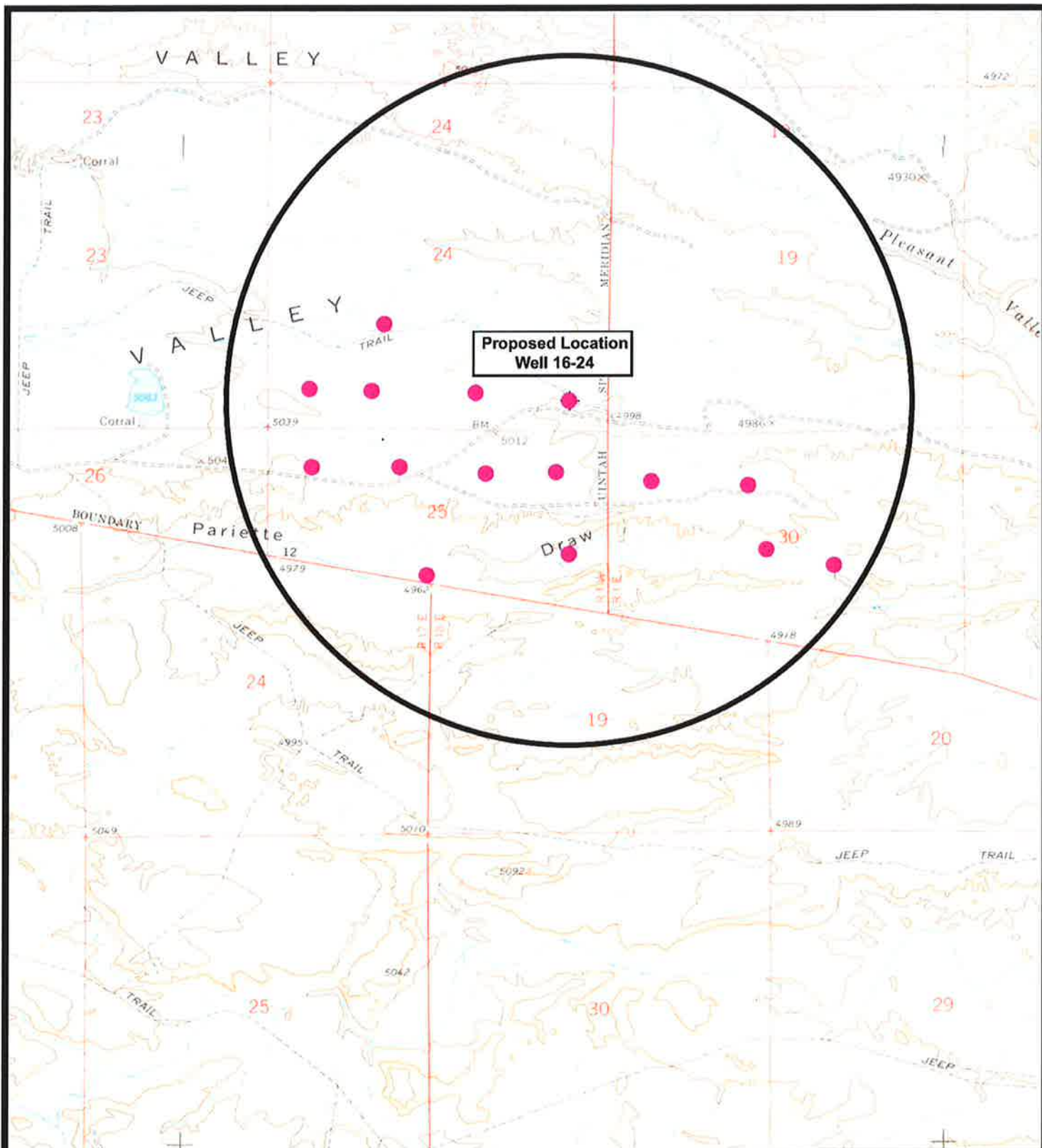
 <p>NEWFIELD Exploration Company</p>		 <p>Tri-State Land Surveying Inc. (435) 781-2501 180 North Vernal Ave. Vernal, Utah 84078</p>	<p>Legend</p>
<p>Well 16-24-1 SEC. 24, T4S, R1W, U.S.B.&M.</p>		<p>SCALE: 1 : 100,000 DRAWN BY: JAS DATE: 04-15-2009</p>	<p>Existing Road Proposed Access</p> <p>TOPOGRAPHIC MAP "A"</p>





 <p>NEWFIELD Exploration Company</p>		 <p>Tri-State Land Surveying Inc. (435) 781-2501 180 North Vernal Ave. Vernal, Utah 84078</p> <p>SCALE: 1" = 2,000' DRAWN BY: JAS DATE: 04-15-2009</p>	<p>Legend</p> <p>— Roads - - - Proposed Gas Line</p> <p>TOPOGRAPHIC MAP</p> <p>"C"</p>
<p>Well 16-24-4-1 SEC. 24, T4S, R1W, U.S.B.&M.</p>			





NEWFIELD
Exploration Company

Well 16-24-4-1
SEC. 24, T4S, R1W, U.S.B.&M.



Tri-State
Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
DRAWN BY: JAS
DATE: 04-15-2009

Legend

- Location
- One-Mile Radius

Exhibit "B"

NEWFIELD PRODUCTION COMPANY
HANCOCK 16-24-4-1
SE/SE SECTION 24, T4S, R1W
DUSCHESNE COUNTY, UTAH

THIRTEEN POINT SURFACE PROGRAM

1. **EXISTING ROADS**

See attached **Topographic Map "A"**

To reach Newfield Production Company well location site Hancock 16-24-4-1 located in the SE¼ SE¼ Section 24, T4S, R1W, S.L.B. & M., Duchesne County, Utah:

Proceed in a southerly direction out of Myton, approximately 3.0 miles to it's junction with an existing road to the east; proceed in a southeasterly direction approximately 3.2 miles to it's junction with an existing road to the east; proceed in a northeasterly direction approximately 3.2 miles to it's junction with an existing road to the east; proceed in an easterly direction approximately 3.0 miles to it's junction with the beginning of the proposed access road; proceed along the proposed access road approximately 250' to the proposed well location.

The highways mentioned in the foregoing paragraph are bituminous surfaced roads to the point where Highway 216 exists to the South, thereafter the roads are constructed with existing materials and gravel. The highways are maintained by Utah State road crews. All other roads are maintained by County crews.

The aforementioned dirt oil field service roads and other roads in the vicinity are constructed out of existing native materials that are prevalent to the existing area they are located in and range from clays to a sandy-clay shale material.

The roads for access during the drilling, completion and production phase will be maintained at the standards required by the State of Utah, or other controlling agencies. This maintenance will consist of some minor grader work for smoothing road surfaces and for snow removal.

2. **PLANNED ACCESS ROAD**

Approximately 250' of access road is proposed. See attached **Topographic Map "B"**.

The proposed access road will be an 18' crown road (9' either side of the centerline) with drainage ditches along either side of the proposed road whether it is deemed necessary in order to handle any run-off from normal meteorological conditions that are prevalent to this area. The maximum grade will be less than 8%.

There will be no culverts required along this access road. There will be barrow ditches and turnouts as needed along this road.

There are no fences encountered along this proposed road. There will be no new gates or cattle guards required.

All construction material for this access road will be borrowed material accumulated during construction of the access road.

3. **LOCATION OF EXISTING WELLS**

Refer to **EXHIBIT B**.

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

There are no existing facilities that will be used by this well.

It is anticipated that this well will be a producing oil well.

Upon construction of a tank battery, the well pad will be surrounded by a dike of sufficient capacity to contain at minimum 110% of the largest tank volume within the facility battery.

Tank batteries will be built to State specifications.

All permanent (on site for six (6) months or longer) structures, constructed or installed (including pumping units), will be painted a flat, non-reflective, earth tone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within six months of installation.

5. **LOCATION AND TYPE OF WATER SUPPLY**

Newfield Production will transport water by truck for drilling purposes from the following water sources:

Johnson Water District
Water Right: 43-7478

Neil Moon Pond
Water Right: 43-11787

Maurice Harvey Pond
Water Right: 47-1358

Newfield Collector Well
Water Right: 41-3530 (A30414DV, contracted with the Duchesne County Conservancy District).

There will be no water well drilled at this site

6. **SOURCE OF CONSTRUCTION MATERIALS**

All construction material for this location shall be borrowed material accumulated during construction of the location site and access road.

A mineral material application is not required for this location.

7. **METHODS FOR HANDLING WASTE DISPOSAL**

A small reserve pit (90' x 40' x 8' deep, or less) will be constructed from native soil and clay materials. The reserve pit will receive the processed drill cutting (wet sand, shale & rock) removed from the wellbore. Any drilling fluids, which do accumulate in the pit as a result of shale-shaker carryover, cleaning of the sand trap, etc., will be promptly reclaimed. All drilling fluids will be fresh water based, typically containing Total Dissolved Solids of less than 3000 PPM. No potassium chloride, chromates, trash, debris, nor any other substance deemed hazardous

will be placed in this pit. A 16 mil liner with felt will be required. Newfield requests approval that a flare pit be constructed and utilized on this location.

A portable toilet will be provided for human waste.

A trash basket will be provided for garbage (trash) and hauled away to an approved disposal site at the completion of the drilling activities.

Immediately upon first production, all produced water will be confined to a steel storage tank. If the production water meets quality guidelines, it is transported to the Ashley, Monument Butte, Jonah, and Beluga water injection facilities by company or contract trucks. Subsequently, the produced water is injected into approved Class II wells to enhance Newfield's secondary recovery project.

Water not meeting quality criteria, is disposed at Newfield's Pariette #4 disposal well (Sec. 7, T9S R19E) or at State of Utah approved surface disposal facilities.

8. **ANCILLARY FACILITIES:**

There are no ancillary facilities planned for at the present time and none foreseen in the near future.

9. **WELL SITE LAYOUT:**

See attached Location Layout Sheet.

Fencing Requirements

All pits will be fenced according to the following minimum standards:

- a) A 39-inch net wire shall be used with at least one strand of barbed wire on top of the net.
- b) The net wire shall be no more than two (2) inches above the ground. The barbed wire shall be three (3) inches above the net wire. Total height of the fence shall be at least forty-two (42) inches.
- c) Corner posts shall be centered and/or braced in such a manner to keep tight at all times
- d) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than sixteen (16) feet.
- e) All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

The reserve pit fencing will be on three (3) sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

10. **PLANS FOR RESTORATION OF SURFACE:**

a) **Producing Location**

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, material, trash and junk not required for production.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximated natural contours. Weather permitting, the reserve pit will be reclaimed within one hundred twenty (120) days from the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed.

b) **Dry Hole Abandoned Location**

At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and the State of Utah will attach the appropriate surface rehabilitation conditions of approval.

11. **SURFACE OWNERSHIP:** Henderson Ranches LLC
See attached Easement ROW and Surface Use Agreement.

12. **OTHER ADDITIONAL INFORMATION:**

- a) Newfield Production Company is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, Newfield is to immediately stop work that might further disturb such materials and contact the Authorized Officer.
- b) Newfield Production will control noxious weeds along rights-of-way for roads, pipelines, well sites or other applicable facilities. On State administered land it is required that a Pesticide Use Proposal shall be submitted and given approval prior to the application of herbicides or other possible hazardous chemicals.
- c) Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on State Lands after the conclusion of drilling operations or at any other time without State authorization. However, if State authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities.

Additional Surface Stipulations

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws and regulations, Onshore Oil and Gas Orders, the approved plan of operations and any applicable Notice to Lessees. A copy of these conditions will be furnished to the field representative to ensure compliance.

Hazardous Material Declaration

Newfield Production Company guarantees that during the drilling and completion of the Hancock 16-24-4-1, Newfield will not use, produce, store, transport or dispose 10,000# annually of any of the hazardous chemicals contained in the Environmental Protection Agency's consolidated list of chemicals subject to reporting under Title III Superfund Amendments and Reauthorization Act (SARA) of 1986. Newfield also guarantees that during the drilling and completion of the Hancock 16-24-4-1 Newfield will use, produce, store, transport or dispose less than the threshold planning quantity (T.P.Q.) of any extremely hazardous substances as defined in 40 CFR 355.

A complete copy of the approved APD, if applicable, shall be on location during the construction of the location and drilling activities.

Newfield Production Company or a contractor employed by Newfield Production shall contact the State office at (801) 722-3417, 48 hours prior to construction activities.

The State office shall be notified upon site completion prior to moving on the drilling rig.

13. **LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:**

Representative

Name: Dave Allred
Address: Newfield Production Company
Route 3, Box 3630
Myton, UT 84052
Telephone: (435) 646-3721

Certification

Please be advised that Newfield Production Company is considered to be the operator of well #16-24-4-1, SE/SE Section 24, T4S, R1W, Duchesne County, Utah and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by Bond #B001834.

I hereby certify that the proposed drill site and access route have been inspected, and I am familiar with the conditions which currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and that the work associated with the operations proposed here will be performed by Newfield Production Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of the 18 U.S.C. 1001 for the filing of a false statement.

4/28/09
Date


Mandie Crozier
Regulatory Specialist
Newfield Production Company

Well Name	NEWFIELD PRODUCTION COMPANY Hancock 16-24-4-1 4304750658000			
String	Surf	Prod		
Casing Size(in)	8.625	5.500		
Setting Depth (TVD)	400	6720		
Previous Shoe Setting Depth (TVD)	0	400		
Max Mud Weight (ppg)	8.3	8.3		
BOPE Proposed (psi)	0	2000		
Casing Internal Yield (psi)	2950	4810		
Operators Max Anticipated Pressure (psi)	2910	8.3		

Calculations	Surf String	8.625	"
Max BHP (psi)	.052*Setting Depth*MW=	173	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	125	NO OK
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	85	NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	85	NO OK
Required Casing/BOPE Test Pressure=		400	psi
*Max Pressure Allowed @ Previous Casing Shoe=		0	psi *Assumes 1psi/ft frac gradient

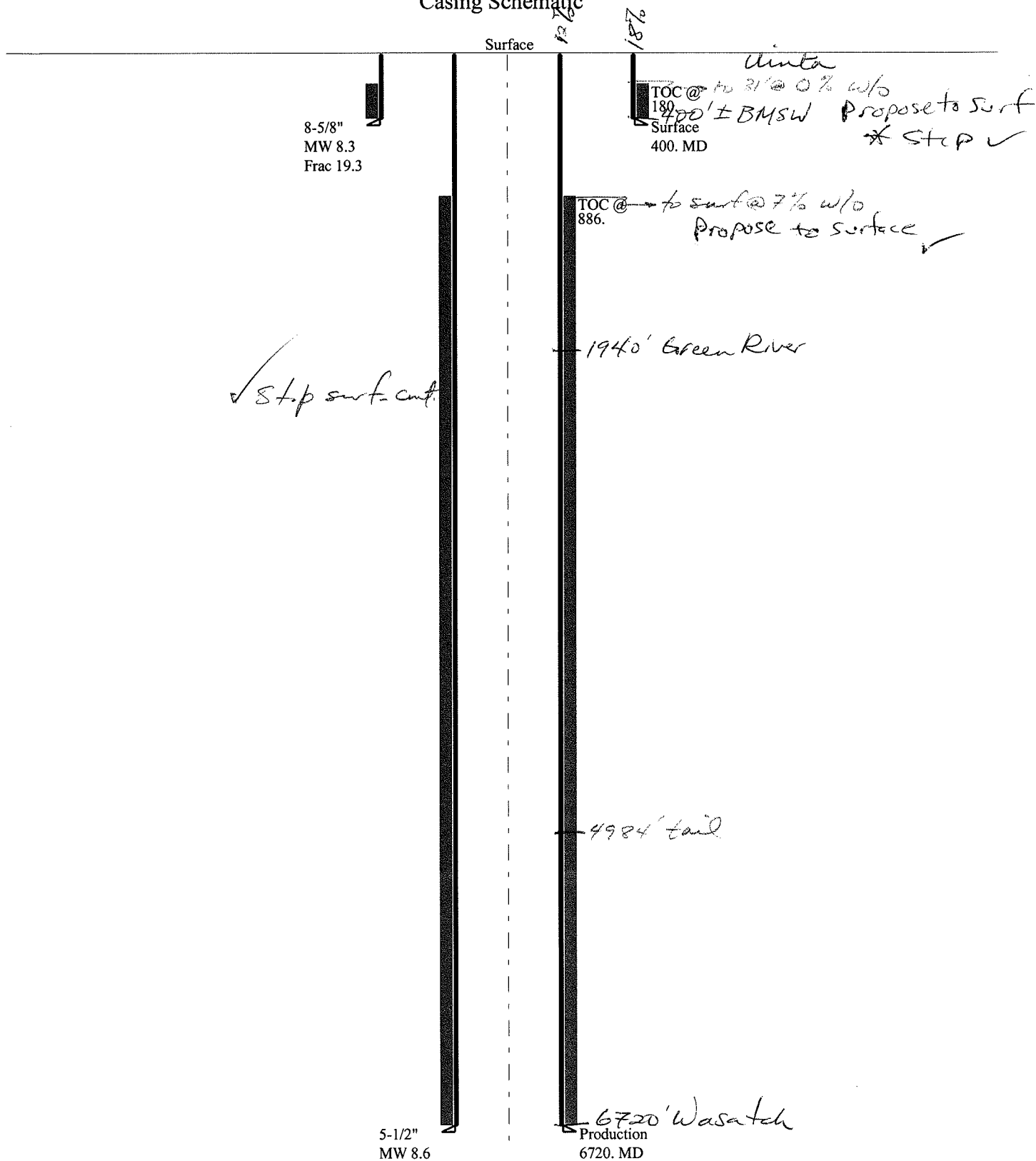
Calculations	Prod String	5.500	"
Max BHP (psi)	.052*Setting Depth*MW=	2900	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	2094	NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	1422	YES OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	1510	NO Reasonable for area
Required Casing/BOPE Test Pressure=		2000	psi
*Max Pressure Allowed @ Previous Casing Shoe=		400	psi *Assumes 1psi/ft frac gradient

Calculations	String		"
Max BHP (psi)	.052*Setting Depth*MW=		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO
Required Casing/BOPE Test Pressure=			psi
*Max Pressure Allowed @ Previous Casing Shoe=			psi *Assumes 1psi/ft frac gradient

Calculations	String		"
Max BHP (psi)	.052*Setting Depth*MW=		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO
Required Casing/BOPE Test Pressure=			psi
*Max Pressure Allowed @ Previous Casing Shoe=			psi *Assumes 1psi/ft frac gradient

43047506580000 Hancock 16-24-4-1

Casing Schematic



Well name:	43047506580000 Hancock 16-24-4-1		
Operator:	NEWFIELD PRODUCTION COMPANY		
String type:	Surface	Project ID:	43-047-50658
Location:	UINTAH	COUNTY	

Design parameters:

Collapse

Mud weight: 8.330 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 80 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: 180 ft

Burst

Max anticipated surface pressure: 352 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 400 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.70 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 350 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 6,720 ft
Next mud weight: 8.600 ppg
Next setting BHP: 3,002 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 400 ft
Injection pressure: 400 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	400	8.625	24.00	J-55	ST&C	400	400	7.972	2057

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	173	1370	7.923	400	2950	7.38	9.6	244	25.44 J

Prepared Helen Sadik-Macdonald
by: Div of Oil,Gas & Mining

Phone: 801 538-5357
FAX: 801-359-3940

Date: August 31,2009
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 400 ft, a mud weight of 8.33 ppg The casing is considered to be evacuated for collapse purposes.
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	43047506580000 Hancock 16-24-4-1		
Operator:	NEWFIELD PRODUCTION COMPANY		
String type:	Production	Project ID:	43-047-50658
Location:	UINTAH	COUNTY	

Design parameters:

Collapse

Mud weight: 8.600 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 168 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: 886 ft

Burst

Max anticipated surface pressure: 1,524 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 3,002 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.60 (B)

Non-directional string.

Tension is based on air weight.
Neutral point: 5,846 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	6720	5.5	15.50	J-55	LT&C	6720	6720	4.825	23728
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	3002	4040	1.346	3002	4810	1.60	104.2	217	2.08 J

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Mining

Phone: 801 538-5357
FAX: 801-359-3940

Date: August 31,2009
Salt Lake City, Utah

Remarks:

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Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

MEMORANDUM
of
EASEMENT, RIGHT-OF-WAY
and
SURFACE USE AGREEMENT

This Easement and Surface Use Agreement ("Agreement") is entered into this 19th day of June 2009 by and between, **Henderson Ranches, LLC, Wayne and Moreen Henderson, Lance and Julie Henderson, Tommy Henderson, and Billie Henderson**, whose address is R.R. 3, Box 3671, Myton, Utah 84052 ("Surface Owner," whether one or more), and **NEWFIELD PRODUCTION COMPANY**, a Texas corporation ("NEWFIELD"), with offices at 1401 Seventeenth Street, Suite 1000, Denver, Colorado 80202, covering certain lands, (the "Lands") situated in Uintah County, Utah described as follows:

Township 4 South, Range 1 West
Section 24: SESE (16-24-4-1)
Uintah County, Utah

(limited to proposed roads, pipelines, & well pad only, as shown in attached plats)

For and in consideration of the sum of ten dollars (\$10.00), and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby agree to the terms and provisions set forth as follows:

1. Compensation for Well; Release of All Claims

NEWFIELD shall pay to Surface Owner the sum as set forth in and according to the terms of that certain Letter Agreement for Easement, Right-of Way and Surface Use by and between Surface Owner and NEWFIELD, dated June 19th, 2009, as full payment and satisfaction for any and all detriment, depreciation, injury or damage of any nature to the Lands or growing crops thereon that may occur as a result of NEWFIELD's drilling or completion operations or its continuing activities for the production or transportation of oil, gas, or other hydrocarbons or products associated with the foregoing including, but not limited to, surface use, access, pipelines, gathering lines, pipeline interconnections, and any and all other reasonable or customary uses of land related to said operations or activities.

2. Grant of Right of Way and Easement

Surface Owner hereby grants, bargains, leases, assigns, and conveys to NEWFIELD an easement and right-of-way for the purpose of construction, using and maintaining access roads, locations for surface equipment and subsurface gathering lines for each well drilled upon the Lands, pipelines, and pipeline interconnections for two years from date of this agreement and so long thereafter as NEWFIELD's oil and gas leases remain in effect.

This Agreement shall be binding upon the respective heirs, executors, administrators, successors, and assigns of the undersigned.

These Parties hereto have executed this document effective as of the day first above written.

NEWFIELD PRODUCTION COMPANY

By: _____
Daryll Howard, President

SURFACE OWNER

By: Wayne Henderson
Wayne Henderson, Henderson Ranches, LLC

By: Wayne Henderson
Wayne Henderson

By: Lance Henderson
Lance Henderson

By: Tommy Henderson
Tommy Henderson

By: Moreen Henderson
Moreen Henderson

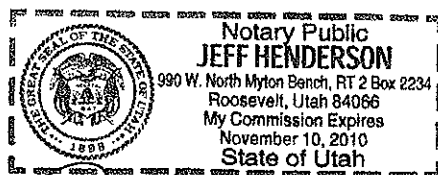
By: Julie Henderson
Julie Henderson

By: Billie Henderson
Billie Henderson

STATE OF UTAH)
)ss
COUNTY OF UINTAH)

This instrument was acknowledged before me this 19th day of JUNE, 2009 by **Wayne Henderson and Moreen Henderson**

Witness my hand and official seal.



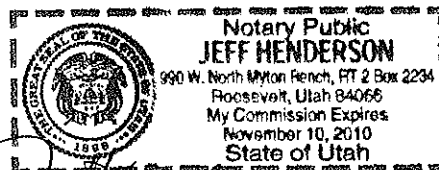
Jeff Henderson
Notary Public

My commission expires 11-10-10

STATE OF UTAH)
)ss
COUNTY OF UINTAH)

This instrument was acknowledged before me this 19th day of JUNE, 2009 by **Lance Henderson and Julie Henderson**

Witness my hand and official seal.



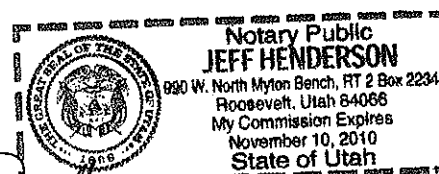
Jeff Henderson
Notary Public

My commission expires 11-10-10

STATE OF UTAH)
)ss
COUNTY OF UINTAH)

This instrument was acknowledged before me this 19th day of JUNE, 2009 by **Tommy Henderson and Billie Henderson**

Witness my hand and official seal.



Jeff Henderson
Notary Public

My commission expires 11-10-10

STATE OF COLORADO)
)ss
COUNTY OF Denver)

This instrument was acknowledged before me this _____, 2009 by **Daryll Howard, as President of Newfield Production Company**, a Texas corporation, on behalf of the corporation.

Witness my hand and official seal.

Notary Public

My commission expires _____

Status Legend:

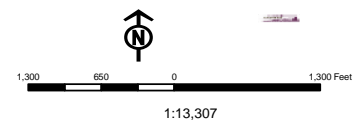
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- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PI OIL
- PP GAS
- PP GEOTHERMAL
- PP OIL
- SECONDARY
- TERMINATED

Fields Legend:

- STATUS
- COMBINED
- Sections

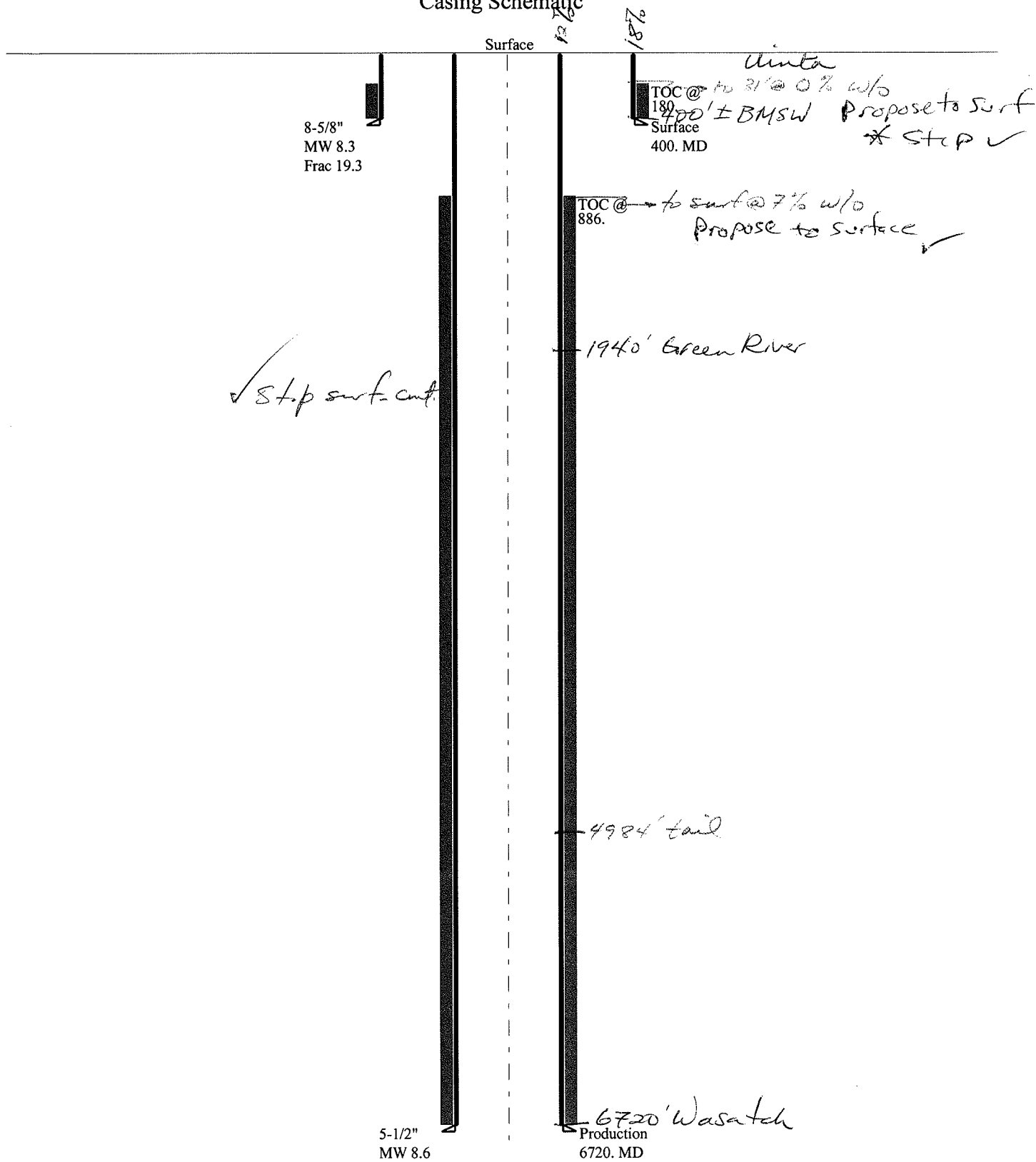
Well Query Events Legend:

- <all other values>
- GIS STATUS TYPE
- nNull
- APD
- DRL
- GI
- GS
- LA
- NEW
- OPS
- PW
- POW
- RET
- SOW
- SOW
- TA
- TH
- WD
- WS



43047506580000 Hancock 16-24-4-1

Casing Schematic



Well name:	43047506580000 Hancock 16-24-4-1		
Operator:	NEWFIELD PRODUCTION COMPANY		
String type:	Surface	Project ID:	43-047-50658
Location:	UINTAH	COUNTY	

Design parameters:

Collapse

Mud weight: 8.330 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 80 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: 180 ft

Burst

Max anticipated surface pressure: 352 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 400 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.70 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 350 ft

Non-directional string.

Re subsequent strings:

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Next mud weight: 8.600 ppg
Next setting BHP: 3,002 psi
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Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Mining

Phone: 801 538-5357
FAX: 801-359-3940

Date: August 31,2009
Salt Lake City, Utah

Remarks:

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Well name:	43047506580000 Hancock 16-24-4-1		
Operator:	NEWFIELD PRODUCTION COMPANY		
String type:	Production	Project ID:	43-047-50658
Location:	UINTAH	COUNTY	

Design parameters:

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Mud weight: 8.600 ppg
Design is based on evacuated pipe.

Minimum design factors:

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Burst:

Design factor 1.00

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Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
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Engineering responsibility for use of this design will be that of the purchaser.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator	NEWFIELD PRODUCTION COMPANY				
Well Name	Hancock 16-24-4-1				
API Number	43047506580000	APD No	1917	Field/Unit	MONUMENT BUTTE
Location: 1/4,1/4	SESE	Sec	24	Tw	4.0S
		Rng	1.0W	464	FSL 596 FEL
GPS Coord (UTM)			Surface Owner	Henderson Ranches LLC	

Participants

Floyd Bartlett and Mark Rehinbolt (DOGM), Tim Eaton, Brian Foote and Jeff Henderson (Newfield Production Co.).

Regional/Local Setting & Topography

The proposed location is approximately 12.4 road miles southeast of Myton, UT in a sub-drainage of Pleasant Valley Wash which drains into the Pariette Draw drainage of Uintah County. Both of these draws contain perennial streams somewhat consisting of irrigation runoff and seepage. Pariette Draw runs into the Green River approximately 6 miles downstream from Ouray, Utah and about 12 miles downstream from the location. Broad flats in Pleasant Valley frequently used for agriculture characterize the area. Flats are intersected by drainages with gentle to moderate side slopes. Access is by State and County and existing oil field development roads. One hundred and 10 feet of additional new construction across Henderson's private land will be required to reach the location.

The proposed Hancock 16-24-4-1 oil well pad is on relative flat terrain with a gentle south slope and is immediately south of an existing sprinkler irrigated field. The reserve pit is located on a site where hay has been previously stacked. A small but active drainage angles longitudinally thru the site. Most of it will be covered during the construction of the pad and a diversion probably will not be needed. The selected location should be suitable and stable for constructing the pad, drilling and operating the proposed well.

Henderson Ranches owns the surface of the location and surrounding area. A surface use agreement has been signed. Wayne Henderson and his two sons, Lance and Tommie had previously seen the area and had no concerns. They did not accompany us to the site. The minerals are also FEE but owned by another party and under lease to Newfield Production Company.

Surface Use Plan

Current Surface Use

Grazing
Agricultural

New Road Miles	Well Pad	Src Const Material	Surface Formation
0.01	Width 204 Length 305	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetlands N

Flora / Fauna

Most of the site is barren. Some Russian thistle and rabbit brush plant exist.

Cattle, deer, prairie dogs, small mammals and birds.

Soil Type and Characteristics

Deep sandy loam

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diversion Required? N

A small but active drainage angles longitudinally thru the site. Most of it will be covered during the construction of the pad and a diversion probably will not be needed.

Berm Required? Y

Erosion Sedimentation Control Required? N

Paleo Survey Run? N **Paleo Potential Observed?** N **Cultural Survey Run?** N **Cultural Resources?** N

Reserve Pit

Site-Specific Factors

Site Ranking

Distance to Groundwater (feet)	25 to 75	15
Distance to Surface Water (feet)	300 to 1000	2
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	300 to 1320	10
Native Soil Type	Mod permeability	10
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)		0
Affected Populations		
Presence Nearby Utility Conduits	Not Present	0
Final Score	42	1 Sensitivity Level

Characteristics / Requirements

The reserve pit will be 40' x 70' x 8' deep located in an area of cut on the northeast side of the location. A pit liner is required. Newfield commonly uses a 16-mil liner.

Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 16 **Pit Underlayment Required?** Y

Other Observations / Comments

Floyd Bartlett
Evaluator

4/21/2009
Date / Time

Application for Permit to Drill Statement of Basis

9/10/2009

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
1917	43047506580000	LOCKED	OW	P	No
Operator	NEWFIELD PRODUCTION COMPANY			Surface Owner-APD	Henderson Ranches LLC
Well Name	Hancock 16-24-4-1			Unit	
Field	MONUMENT BUTTE			Type of Work	DRILL
Location	SESE 24 4S 1W U 464 FSL 596 FEL GPS Coord (UTM) 590588E 4440788N				

Geologic Statement of Basis

Newfield proposes to set 290' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 400'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the center of Section 24. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. Surface casing should be extended to cover the estimated base of the moderately saline ground water.

Brad Hill
APD Evaluator

5/12/2009
Date / Time

Surface Statement of Basis

The proposed location is approximately 12.4 road miles southeast of Myton, UT in a sub-drainage of Pleasant Valley Wash which drains into the Pariette Draw drainage of Uintah County. Both of these draws contain perennial streams somewhat consisting of irrigation runoff and seepage. Pariette Draw runs into the Green River approximately 6 miles downstream from Ouray, Utah and about 12 miles downstream from the location. Broad flats in Pleasant Valley frequently used for agriculture characterize the area. Flats are intersected by drainages with gentle to moderate side slopes. Access is by State and County and existing oil field development roads. One hundred and 10 feet of additional new construction across Henderson's private land will be required to reach the location.

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Floyd Bartlett
Onsite Evaluator

4/21/2009
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	The reserve pit shall be fenced upon completion of drilling operations.
Surface	The well site shall be bermed to prevent fluids from leaving the pad.

WORKSHEET

APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 8/19/2009

API NO. ASSIGNED: 43047506580000

WELL NAME: Hancock 16-24-4-1

OPERATOR: NEWFIELD PRODUCTION COMPANY (N2695)

PHONE NUMBER: 435 646-4825

CONTACT: Mandie Crozier

PROPOSED LOCATION: SESE 24 040S 010W

Permit Tech Review: ☒

SURFACE: 0464 FSL 0596 FEL

Engineering Review: ☒

BOTTOM: 0464 FSL 0596 FEL

Geology Review: ☒

COUNTY: UINTAH

LATITUDE: 40.11442

LONGITUDE: -109.93702

UTM SURF EASTINGS: 590588.00

NORTHINGS: 4440788.00

FIELD NAME: MONUMENT BUTTE

LEASE TYPE: 4 - Fee

LEASE NUMBER: Fee

PROPOSED PRODUCING FORMATION(S): GREEN RIVER

SURFACE OWNER: 4 - Fee

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

☒ **PLAT**

☒ **Bond:** STATE/FEE - B001834

☐ **Potash**

☐ **Oil Shale 190-5**

☐ **Oil Shale 190-3**

☐ **Oil Shale 190-13**

☒ **Water Permit:** 43-7478

☐ **RDCC Review:**

☐ **Fee Surface Agreement**

☐ **Intent to Commingle**

Commingle Approved

LOCATION AND SITING:

☐ **R649-2-3.**

Unit:

☐ **R649-3-2. General**

☐ **R649-3-3. Exception**

☒ **Drilling Unit**

Board Cause No: R649-3-2

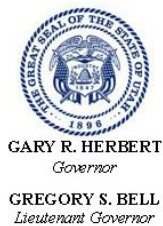
Effective Date:

Siting:

☐ **R649-3-11. Directional Drill**

Comments: Presite Completed

Stipulations:
5 - Statement of Basis - bhill
23 - Spacing - dmason
25 - Surface Casing - hmadonald



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: Hancock 16-24-4-1
API Well Number: 43047506580000
Lease Number: Fee
Surface Owner: FEE (PRIVATE)
Approval Date: 9/10/2009

Issued to:

NEWFIELD PRODUCTION COMPANY , Rt 3 Box 3630 , Myton, UT 84052

Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-2. The expected producing formation or pool is the GREEN RIVER Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Surface casing shall be cemented to the surface.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Additional Approvals:

The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan – contact Dustin Doucet
- Significant plug back of the well – contact Dustin Doucet
- Plug and abandonment of the well – contact Dustin Doucet

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well – contact Carol Daniels
OR
submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at <https://oilgas.ogm.utah.gov>
- 24 hours prior to testing blowout prevention equipment - contact Dan Jarvis
- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program – contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well – contact Dan Jarvis

Contact Information:

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):

- Carol Daniels 801-538-5284 - office
- Dustin Doucet 801-538-5281 - office
801-733-0983 - after office hours
- Dan Jarvis 801-538-5338 - office
801-942-0871 - after office hours

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) – due within 5 days of spudding the well
- Monthly Status Report (Form 9) – due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) – due prior to implementation
- Written Notice of Emergency Changes (Form 9) – due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) – due prior to implementation
- Report of Water Encountered (Form 7) – due within 30 days after completion
- Well Completion Report (Form 8) – due within 30 days after completion or plugging

Approved By:



Gil Hunt
Associate Director, Oil & Gas

BLM - Vernal Field Office - Notification Form

Operator Newfield Exploration Rig Name/# Ross Rig #
29 Submitted By Don Bastian Phone
Number 435-823-6012
Well Name/Number Hancock 16-24-4-1
Qtr/Qtr SE/SE Section 24 Township 4 S Range 1W_____
Lease Serial Number FEE
API Number 43047506580000

Spud Notice – Spud is the initial spudding of the well, not drilling
out below a casing string.

Date/Time 9/19/09 8:00 AM ☒ PM ☐

Casing – Please report time casing run starts, not cementing
times.

- ☒ Surface Casing
- ☐ Intermediate Casing
- ☐ Production Casing
- ☐ Liner
- ☐ Other

Date/Time 9/19/09 5:00 AM ☐ PM ☒

BOPE

- ☐ Initial BOPE test at surface casing point
- ☐ BOPE test at intermediate casing point
- ☐ 30 day BOPE test
- ☐ Other

Date/Time _____ AM ☐ PM ☐

Remarks We'll Move Ross Rig #29 To Hancock 16-24-4-1 On
9/19/09 Spud @ 8:00AM

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
ENTITY ACTION FORM - FORM 6

OPERATOR: NEWFIELD PRODUCTION COMPANY
ADDRESS: RT. 3 BOX 3630
MYTON, UT 84052

OPERATOR ACCT. NO. N2695

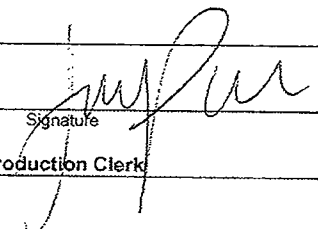
ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	17374	4301350017	HANCOCK 7-20-4-1	SWNE	20	4S	1W	DUCHESNE	9/19/2009	9/30/09
WELL 1 COMMENTS: GRRV											
A	99999	17375	4304750658	HANCOCK 16-24-4-1	SESE	24	4S	1W	UINTAH	9/19/2009	9/30/09
WELL 2 COMMENTS: GRRV											
E	17001	17001	4304739772	STATE 23-2T-9-17	NESW	2	9S	17E	UINTAH	7/30/2008	9/30/09
Comments Changing the producing formation from MNCS to MVMCS											
CONFIDENTIAL											
WELL 5 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)
A - 1 new entity for new well (single well only)
B - well to existing entity (group or unit well)
C - from one existing entity to another existing entity
D - well from one existing entity to a new entity
E - other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

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SEP 23 2009

DIV. OF OIL, GAS & MINING

Signature: 
Production Clerk: Jentri Park
Date: 09/23/09

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010**SUBMIT IN TRIPLICATE - Other Instructions on page 2**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

NEWFIELD PRODUCTION COMPANY

3a. Address

Route 3 Box 3630

Myton, UT 84052

3b. Phone (include area code)

435.646.3721

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SESE Section 24 T4S R1W

5. Lease Serial No.

FEE

6. If Indian, Allottee or Tribe Name.

7. If Unit or CA/Agreement, Name and/or

8. Well Name and No.

HANCOCK 16-24-4-1

9. API Well No.

4304750658

10. Field and Pool, or Exploratory Area

MONUMENT BUTTE

11. County or Parish, State

UINTAH, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug & Abandon	<input type="checkbox"/> Temporarily Abandon	Weekly Status Report _____
	<input type="checkbox"/> Convert to Injector	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	_____

13. Describe Proposed or Completed Operation: (Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

On 9/25/09 MIRU NDSI Rig #3. Set all equipment. Pressure test Kelly, TIW, Choke manifold, & Bop's to 2,000 psi. Test 8.625 csgn to 1,500 psi. Vernal BLM field, & Roosevelt DOGM office was notified of test. PU BHA and tag cement @ 408'. Drill out cement & shoe. Drill a 7.875 hole with fresh water to a depth of 6660'. Lay down drill string & BHA. Open hole log w/ Dig/SP/GR log's TD to surface. PU & TIH with Guide shoe, shoe jt, float collar, 158 jts of 5.5 J-55, 15.5# csgn. Set @ 6654.78' / KB. Cement with 300 sks cement mixed @ 11.0 ppg & 3.43 yld. The 400 sks cement mixed @ 14.4 ppg & 1.24 yld. circ 1 bbl cmt to surface. Nipple down Bop's. Set slips @90,000 #'s tension. Release rig 6:00 AM on 9/30/09.

RECEIVED**OCT 05 2009****DIV. OF OIL, GAS & MINING**I hereby certify that the foregoing is true and
correct (Printed/ Typed)

Johnny Davis

Signature

Title

Drilling Foreman

Date

09/30/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or
certify that the applicant holds legal or equitable title to those rights in the subject lease
which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United
States any false, fictitious and fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on page 2)

NEWFIELD PRODUCTION COMPANY - CASING & CEMENT REPORT

5 1/2" CASING SET AT 6654.74

LAST CASING 8 5/8" SET AT 451.18

DATUM 12

DATUM TO CUT OFF CASING

DATUM TO BRADENHEAD FLANGE

TD DRILLER	<u>6650</u>	LOGG	<u>6648</u>
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HOLE SIZE 7 7/8"

OPERATOR Newfield Exploration Company

WELL HANCOCK 16-24-4-1

FIELD/PROSPECT MB

CONTRACTOR & RIG # **NDSI Rig #3**

LOG OF CASING STRING:

PIECES	OD	ITEM - MAKE - DESCRIPTION		WT / FT	GRD	THREAD	CONDT	LENGTH
1	5 1/2"	Landing jt		15.5	J-55	8rd	A	14
157	5 1/2"	LT&C Casing		15.5	J-55	8rd	A	6599.3
1	5 1/2"	Float collar					A	0.6
1	5 1/2"	Shoe jt		15.5	J-55	LTC	A	42.19
1	5 1/2"	Guide shoe					A	0.65
CASING INVENTORY BAL.		FEET	JTS	TOTAL LENGTH OF STRING				6656.74
TOTAL LENGTH OF STRING		6656.74		LESS CUT OFF PIECE				14
LESS NON CSG. ITEMS		15.25		PLUS DATUM TO T/CUT OFF CSG				12
PLUS FULL JTS. LEFT OUT		295.06	7	CASING SET DEPTH				6,654.74
TOTAL		6936.55	7	} COMPARE				
TOTAL CSG. DEL. (W/O THRDS)		6936.55	165					
TIMING								
BEGIN RUN CSG.	Spud	9:30 PM	9/29/2009	GOOD CIRC THRU JOB				Yes
CSG. IN HOLE		12:30 AM	9/30/2009	Bbls CMT CIRC TO SURFACE				1
BEGIN CIRC		2:21 AM	9/30/2009	RECIPROCATED PIPE				Yes
BEGIN PUMP CMT		2:35 AM	9/30/2009	BUMPED PLUG TO				2600
BEGIN DSPL. CMT		3:25 AM	9/30/2009					
PLUG DOWN		3:51 AM	9/30/2009					

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OCT 05 2009

DIV. OF OIL, GAS & MINING

COMPANY REPRESENTATIVE Johnny Davis DATE 9/30/2009

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: Route 3 Box 3630 CITY Myton STATE UT ZIP 84052		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL: FOOTAGES AT SURFACE:		8. WELL NAME and NUMBER: HANCOCK 16-24-4-1
OTR/OTR. SECTION. TOWNSHIP. RANGE. MERIDIAN: SESE, 24, T4S, R1W		9. API NUMBER: 4304750658
		10. FIELD AND POOL, OR WILDCAT: MONUMENT BUTTE
		COUNTY: UINTAH
		STATE: UT

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/STOP) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLAIR <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: - Weekly Status Report
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of Work Completion: 10/20/2009			

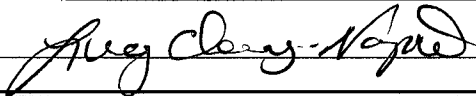
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The above subject well was completed on 10-20-09, attached is a daily completion status report.

NAME (PLEASE PRINT) Lucy Chavez-Naupoto

TITLE Production Tech

SIGNATURE



DATE 10/29/2009

(This space for State use only)

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NOV 02 2009

DIV OF OIL, GAS & MINING

Daily Activity Report

Format For Sundry

HANCOCK 16-24-4-1**8/1/2009 To 12/30/2009****10/8/2009 Day: 1****Completion**

Rigless on 10/8/2009 - CBL/Perforated 1st stage. - RU frac head & Cameron BOP's. RU Hot Oiler & test casing, frac head, frac valves & BOP's to 4500 psi. RU Perforators LLC WLT w/ mast. Run CBL under pressure. WLTD was 6556' w/ cement top @ 18'. RIH w/ 3-1/8" Slick Guns (19 gram, .49"EH, 120°) & perforate CP5 sds @ 6507-13', CP4 sds @ 6399-6401', 6392-96' w/ 3 spf for total of 36 shots. SIFN w/ 157 bbls EWTR.

Daily Cost: \$0**Cumulative Cost:** \$12,489

10/13/2009 Day: 2**Completion**

Rigless on 10/13/2009 - Frac & perforate 3 stages. Flowback well. 767 BWTR. - Stage #2 CP1, CP2 & CP3 sands, RU The Perforators LLC WLT, crane & lubricator. RIH w/ Weatherford 5 1/2" 6K composite flow through frac plug, 5', 2', 2' & 4' perf guns. Set plug @ 6350'. Perforate CP3 sds @ 6289- 94', CP2 sds @ 6252- 54', 6246- 48', CP1 sds @ 6219- 23' w/ 3 1/8" ported gun (.36" EH, 11 gram, 120°, 16.82" pen) w/ 3 spf for total of 39 shots. RU BJ Services. 1950 psi on well. Broke @ 3126 psi. NO ISIP, 1 min or 4 min due to low psi. Frac CP1,2 & 3 sds w/ 70,540#'s of 20/40 sand in 623 bbls of Lightning 17 fluid. Treated w/ ave pressure of 2431 psi w/ ave rate of 46.4 BPM. ISIP 2067 psi. FG @ .76. 5 min 1798 psi, 10 min 1690 psi, 15 min 1631 psi. Leave pressure on well. 1325 BWTR. - Stage #1 CP4 & CP5 sands. RU BJ Services. 50 psi on well. Broke @ 3757 psi. ISIP @ 1762 psi, 5 min @ 1447 psi, 15 min 1208 psi, 30 min 1107 psi, 45 min 1052 psi, 1 hr 1027 psi. FG @ .71. Frac CP4 & 5 sds w/55,746#'s of 20/40 sand in 545 bbls of Lightning 17 fluid. Treated w/ ave pressure of 2816 psi w/ ave rate of 46.3 BPM. ISIP 2378 psi, 5 min @ 2269 psi, 10 min @ 2213 psi, 15 min @ 2156 psi. FG @ .80. Leave pressure on well. 702 BWTR. - Stage #3 GB4 sands, RU The Perforators LLC WLT, crane & lubricator. RIH w/ Weatherford 5 1/2" 6K composite flow through frac plug, 6' & 2' perf guns. Set plug @ 4940'. Perforate GB4 sds @ 4867- 73',4855- 57' w/ 3 1/8" ported gun (.36" EH, 11 gram, 120°, 16.82" pen) w/ 3 spf for total of 24 shots. RU BJ Services. 1610 psi on well. Broke @ 4001 psi. No ISIP,1 min or 4 min due to low psi. Frac GB4 sds w/ 34,606#'s of 20/40 sand in 382 bbls of Lightning 17 fluid. Treated w/ ave pressure of 2186 psi w/ ave rate of 33.6 BPM. ISIP 1725 psi. FG @ .79. 5 min 1490 psi, 10 min 1442 psi, 15 min 1424 psi. Begin flowback on 20/64 choke @ 3 BPM. Flowed for 6 hrs & died. Rec 940 BTF. SIWFN w/ 767 BWTR.

Daily Cost: \$0**Cumulative Cost:** \$70,984

10/16/2009 Day: 3**Completion**

WWS #1 on 10/16/2009 - MIRUSU TIH w/ chomp bit & drill out first CBP circulate well clean SWIFN. - MIRUSU WWS # 1. Ckeck prssure on well 500 psi, blow well down. ND BOPs & wellhead. NU production wellhead & BOPs. RU floor & tbg works. PU chomp bit. TIH w/ bit & 2 7/8"tbg tag plug @ 4940'. RU pump & swivel drill out CBP 16 minutes circulate well clean. EOT @ 4958'. SWIFN

Daily Cost: \$0**Cumulative Cost:** \$106,778

10/19/2009 Day: 4**Completion**

WWS #1 on 10/19/2009 - Continue drill out plugs. Swab well clean. TIH w/ production tbg. - Check pressure 150 psi on tbg, Continue TIH w/ tbg tag CBP @ 6350'. Drill out plug in 18 minutes. TIH w/ tbg tag fill @ 6483', clean out to PBTD @ 6611'. Circulate well clean, rack out power swivel. LD 2-jts tbg, RU swab EOT @ 6545' Made 12 runs, recoverd 145 bbls of fluid @ 500' 10% gas & oil in returns. RD swab PU 2-jts no new fill, circulate well clean. LD 3-jts tbg, TOOH w/ 205 jts of tbg, LD chomp bit. TIH w/ NC, 1-jt 2 7/8" tbg, SN, 1-jt 2-7/8" tbg, TAC, 80-jts 2 7/8" tbg EOT @ 2544' SWIFD.

Daily Cost: \$0**Cumulative Cost:** \$112,173

10/20/2009 Day: 5**Completion**

WWS #1 on 10/20/2009 - TIH w/ producton string Placed well on production. - Check press. 100psi on tbg, RU pump pump down csg to kill well. TIH w/ 121-jts 2 7/8" tbg. ND BOPs Set TAC @ 6462.24' w/ 18000 # tension SN @ 6496.61', EOT @ 6529.80. RU well head, change over to rod equipment. PU & prime pump, TIH w/ Central Hyd 25-150 RHAC 16-4-17-20, 6 1 1/2" wt bars, 20-3/4" guided rods, 133-3/4" slick rods, 100-7/8" guided rods 1-2' 1-4' 1-8, X 7/8" pony rods, 1-1 1/2" X 26' polish rod. RU pumping unit stroke test to 800 psi w/ pumping unit. RDMOSU. Placed well on production @ 5:00 pm 122" SL @ 5 spm. **Finalized**

Daily Cost: \$0**Cumulative Cost:** \$155,940

Pertinent Files: Go to File List